

CAPITAL OUTLAY AND EQUIPMENT REPLACEMENT

The Capital Outlay and Equipment Replacement category represents the new and replacement equipment needs of the City. Although, individually, Capital Outlay is one-time in nature, the City includes this category in the operating budget to reflect capital needs on an annual basis. In addition to the General Operating Fund, the Shoreline Golf Links, Revitalization Authority, Parking District, Shoreline Regional Park Community, Water, Wastewater, Solid Waste Management and Fleet Maintenance Funds make annual contributions based on the equipment used by those operations. Equipment replacement expenses are paid by the Equipment Replacement Reserve Fund.

CATEGORIES

- Capital Outlay
- Equipment Replacement

HISTORY

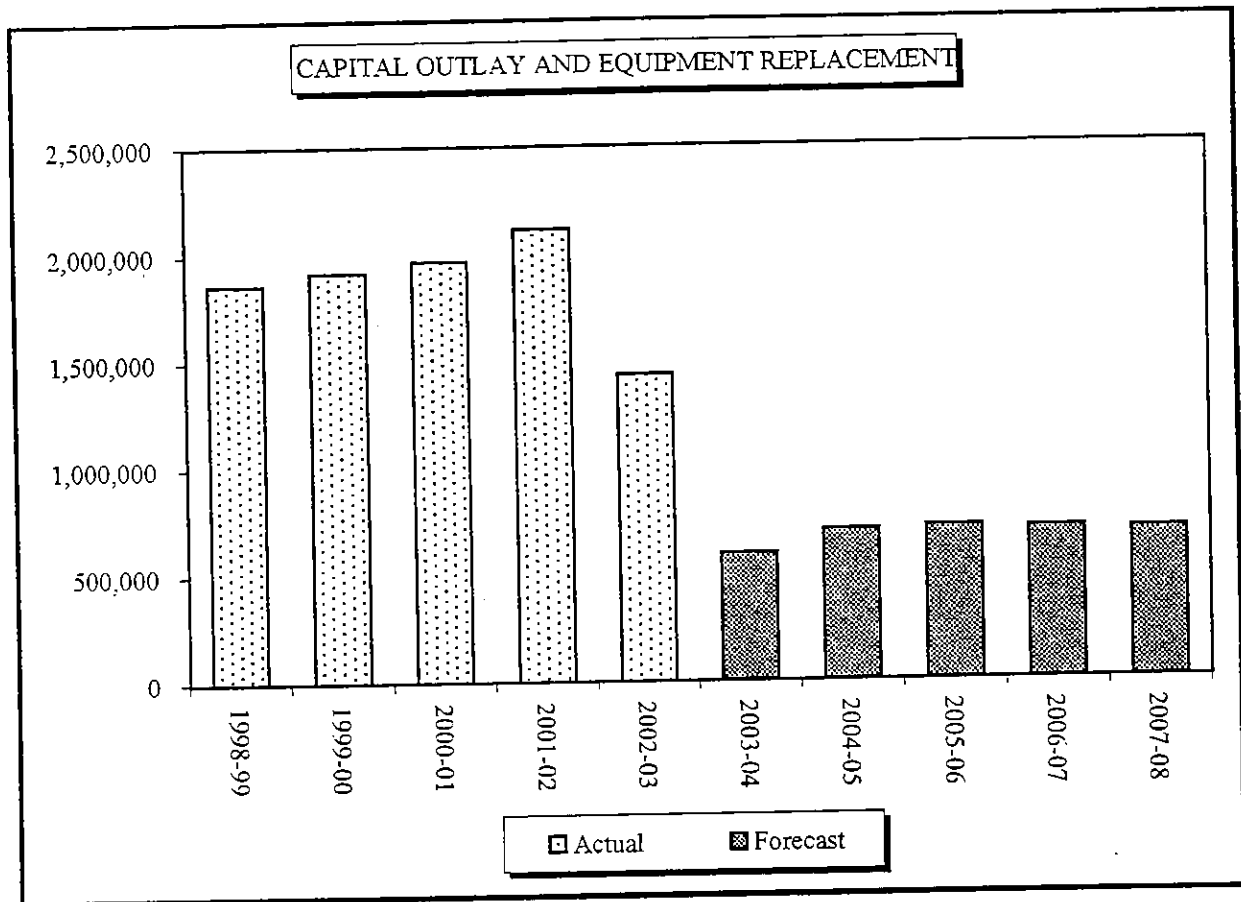
Capital Outlay: Since Fiscal Year 1993-94, the annual expenditures have grown as a result of an increased level of technology and related equipment, and an increase in the number and quality of safety vehicles. The Fiscal Year 2002-03 Adopted Budget included an ongoing \$100,000 reduction to capital outlay.

Equipment Replacement: The Equipment Replacement Reserve was initially funded in Fiscal Year 1992-93 with year-end General Fund carryover. Since that time, the Council has approved transfers to this fund from the year-end General Fund carryover to supplement the General Operating Fund's share of funding. The General Operating Fund increased this funding by \$200,000 annually from Fiscal Year 1994-95 until it was fully funding its share by Fiscal Year 2001-02. The Fiscal Year 2002-03 Adopted Budget included a \$500,000 reduction in the General Operating Fund's contribution to Equipment Replacement. These reductions are temporary in nature and will not be able to be continued into the future.

FORECAST

Capital Outlay: The Fiscal Year 2003-04 Adopted Budget includes a \$200,000 reduction in capital outlay.

Equipment Replacement: The Fiscal Year 2003-04 Adopted Budget includes an additional \$500,000 reduction in the General Operating Fund's contribution to equipment replacement.



<u>Fiscal Year</u>	<u>Annual Expenditures</u>	<u>% Change</u>
1998-99	1,863,000	21.8%
1999-00	1,919,000	3.0%
2000-01	1,969,000	2.6%
2001-02	2,118,000	7.6%
2002-03 *	1,434,000	(32.3%)
2003-04 **	593,000	(58.6%)
2004-05	702,000	18.4%
2005-06	713,000	1.6%
2006-07	703,000	(1.4%)
2007-08	694,000	(1.3%)

* Unaudited

** Adopted

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